



DODGARS - PART 32



DAVID WINTERS
ONR DIRECTOR, CONTRACTING
ACTIVITY AND POLICY



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PART 32

- ADMINISTRATIVE REQUIREMENTS
- FOR GRANTS AND AGREEMENTS
- WITH:
 - INSTITUTIONS OF HIGHER EDUCATION
 - HOSPITALS
 - AND OTHER NONPROFIT ORGANIZATIONS

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SUBPARTS

- GENERAL
- PRE-AWARD REQUIREMENTS
- POST-AWARD REQUIREMENTS
- AFTER-THE-AWARD REQUIREMENTS

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GENERAL

- DEFINITIONS
 - AWARD
 - EQUIPMENT VS. EXEMPT PROPERTY
 - INTANGIBLE PROPERTY & DEBT INSTR.
 - RECIPIENT
 - SUBAWARD
- DEVIATIONS

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PREAWARD

- POLICIES
 - APPROPRIATE USE OF GRANTS,
COOPERATIVE AGREEMENTS AND
CONTACTS
 - Part 22, Subpart B -
 - Part 21.205(a) - legal instrument reflecting
assistance relationship between U.S. & recipient
- FORMS

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PREAWARD (CONTINUED)

- DEBARMENT AND SUSPENSION (COMPLY WITH PART 25)
- SPECIAL AWARD CONDITIONS
 - POOR PERFORMANCE, FINANCIAL INSTABILITY, PROBLEMS WITH MANAGEMENT SYSTEM, NONCONFORMANCE TO TERMS AND CONDITIONS, IS NOT RESPONSIBLE
 - MUST GIVE PRIOR NOTICE
 - PROMPTLY REMOVE CONDITIONS WHEN PROBLEMS REMEDIED
 - GRANTS OFFICER ROLE

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PREAWARD (CONTINUED)

- METRIC SYSTEM
- RESOURCE CONSERVATION AND RECOVERY ACT
- CERTS AND REPS
 - PREFERENCE FOR ANNUAL
 - BUT...SEE PART 22.510 FOR POLICIES
 - MUST COMPLY WITH STATUTE

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POSTAWARD

- FINANICAL AND PROGRAM MGT.
- PROPERTY
- PROCUREMENT STANDARDS
- REPORTS AND RECORDS
- TERMINATION AND ENFORCEMENT

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FINANCIAL AND PROGRAM MANAGEMENT (PART 32.21)

- RELATE FINANCIAL DATA TO PERFORMANCE
- FINANCIAL MANAGEMENT SYSTEMS
 - ACCURATE, CURRENT AND COMPLETE
 - IDENTIFY SOURCE AND APPLICATION OF FUNDS
 - CONTROL: USED ONLY FOR AUTHORIZED PURPOSES
 - COMPARE BUDGET TO COSTS INCURRED
 - MINIMIZE TIME LAPSING BETWEEN RECEIVING U.S. FUNDS AND SPENDING THEM
 - APPLY COST PRINCIPLES
 - RECORD KEEPING
- BONDING/INSURANCE

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FINANCIAL AND PROGRAM MANAGEMENT (PAYMENT -PART 32.22)

- MINIMIZE TIME ELAPSING
- PAYMENT IN ADVANCE
(REIMBURSEMENT IF SYSTEM
REQUIREMENTS NOT MET)
- BILL FOR ALL AWARDS MADE BY DOD
COMPONENT AT ONE TIME
- USE SF 270 (PAPER COPY NOT REQUIRED
FOR ELECTRONIC PAYMENTS)
- WHEN TO WITHHOLD PAYMENTS [32.22(h)]

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INTEREST

- RECIPIENTS SHALL MAINTAIN ADVANCES OF FEDERAL FUNDS IN INTEREST BEARING ACCOUNTS
- INTEREST EARNED ON FEDERAL ADVANCES DEPOSITED IN INTEREST BEARING ACCOUNTS SHALL BE REMITTED ANNUALLY TO DHHS

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FINANCIAL AND PROGRAM MANAGEMENT (COST SHARING OR MATCHING - PART 32.23)

- MUST BE: VERIFIABLE, USED ONLY ONCE, NECESSARY TO THE PROGRAM, ALLOWABLE, NOT FROM ANOTHER FEDERAL PROGRAM*, CONFORMING TO SUBPART
- UNRECOVERED IDC IS O.K.
- VALUES ESTABLISHED IAW COST PRINCIPLES

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FINANCIAL AND PROGRAM MANAGEMENT (PROGRAM INCOME - PART 32.24)

- USUALLY, PROGRAM INCOME WILL BE RETAINED BY RECIPIENT
- **FOR RESEARCH, PROG. INCOME WILL BE ADDED TO FUNDS COMMITTED BY THE GOV'T AND USED TO FURTHER THE PROJECT OBJECTIVES**
- *IF Ts&Cs SILENT FOR NON-RESEARCH AWARDS, PROGRAM INCOME IS DEDUCTED FROM GOV'T SHARE OF AWARD*

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FINANCIAL AND PROGRAM MANAGEMENT (REVISION OF BUDGET/PLANS - PART 32.25)

- BUDGET AND PROGRAM PLANS WILL BE TIED TO PROGRAM RESULTS
- NON-CONSTRUCTION, MUST REPORT:
 - CHANGE IN SCOPE
 - CHANGE IN KEY PERSONNEL
 - ABSENCE FOR 3 MONTHS OR 25% REDUCTION OF PROJECT DIRECTOR TIME

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FINANCIAL AND PROGRAM MANAGEMENT (NON-FEDERAL AUDITS- PART 32.26)

- RECIPIENTS: INSTITUTIONS OF HIGHER EDUCATION AND NON-PROFITS WILL HAVE A SINGLE AUDIT (A-133)
- SUB-RECIPIENTS:
 - STATE & LOCALS (A-110)
 - HOSPITALS NOT SUBJ. TO AUDIT REQUIREMENTS OF A-133 (AWARD T's&C's)
 - FOR-PROFITS (PART 34.16)

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FINANCIAL AND PROGRAM MANAGEMENT (ALLOWABLE COSTS - PART 32.27)

- GOVERNMENTAL ORGANIZATIONS - A-87
- MOST NON-PROFITS - A-122
- EDUCATIONALS - A-21
- HOSPITALS - APPENDIX E OF 45 CFR PART 74
- FOR-PROFIT FIRMS - 48 CFR 31

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FINANCIAL AND PROGRAM MANAGEMENT (PROPERTY - PART 32.3)

- FEDERALLY-OWNED AND EXEMPT
- EQUIPMENT
- SUPPLIES
- INTANGIBLE PROPERTY
- PROPERTY TRUST RELATIONSHIP

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FINANCIAL AND PROGRAM MANAGEMENT (PROCUREMENT STANDARDS - PART 32.4)

- PROCEDURES FOR PROCURMENT OF SUPPLIES AND OTHER EXPENDABLE PROPERTY, EQUIPMENT, REAL PROPERTY AND OTHER SERVICES
- CODE OF CONDUCT
- COMPETITION

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FINANCIAL AND PROGRAM MANAGEMENT (PROCUREMENT STANDARDS - PART 32.4)

- PROCUREMENT SYSTEM WILL INCLUDE:
 - WRITTEN PROCEDURES
 - MAKE POSITIVE EFFORTS TO UTILIZE SMALL BUSINESSES, MINORITY FIRMS AND WOMEN-OWNED FIRMS
 - RECORD TYPE OF PROCUREMENT INSTRUMENT USED
 - CONTRACT WITH RESPONSIBLE PARTIES
 - UPON REQUEST, PROVIDE SAMPLE DOCUMENTS

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FINANCIAL AND PROGRAM MANAGEMENT (PROCUREMENT STANDARDS - PART 32.4)

- COST AND PRICE ANALYSIS
- PROCUREMENT RECORDS
- CONTRACT ADMINISTRATION
- CONTRACT PROVISIONS (SEE APPENDIX A FOR FLOW-DOWN CLAUSES)
- RESOURCE CONSERVATION AND RECOVERY ACT

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REPORTS & RECORDS (PART 32.5)

- PROGRAM PERFORMANCE
 - NOT MORE FREQUENTLY THAN QUARTERLY
 - NOT LESS FREQUENTLY THAN ANNUALLY
 - IF INAPPROPRIATE, DON'T REQUIRE IT!
 - ORIGINAL AND TWO ONLY
 - CLEARANCE REQUIREMENTS OF 5 CFR 1320
- FINANCIAL REPORTING
 - SF-269
 - SF-270
- REPORT RETENTION
 - THREE YEARS WITH EXCEPTIONS

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TERMINATION

- UNILATERAL BY GRANTS OFFICER -
IF THE RECIPIENT DOES NOT LIVE UP
TO TERMS AND CONDITIONS OF
AWARD
- BI-LATERAL BY AGREEMENT OF THE
PARTIES
- UNILATERAL BY RECIPIENT WITH 30
DAYS NOTICE

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ENFORCEMENT

- **REMEDIES FOR NONCOMPLIANCE**
 - WITHHOLD PAYMENTS
 - DISALLOW COSTS FOR PART NOT IN COMPLIANCE
 - SUSPEND OR TERMINATE
 - WITHHOLD FURTHER AWARDS
 - OTHER LEGAL REMEDIES
- **HEARINGS AND APPEALS**
- **EFFECTS OF SUSPENSION OR TERMINATION OF AN AWARD**
- **DOESN'T RULE OUT DEBARMENT AND SUSPENSION**

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AFTER-THE-AWARD REQUIREMENTS

- CLOSEOUT
- SUBSEQUENT ADJUSTMENTS AND CONTINUING RESPONSIBILITIES
- COLLECTION OF AMOUNTS DUE